

2006-2007
CEO: 147
SECTOR: 2

IN THE MATTER OF THE ARBITRATION

CITY OF DUBUQUE	:	CEO #147; SECTOR 2
	:	
PUBLIC EMPLOYER	:	AWARD
	:	
AND	:	
	:	JOHN L. SANDY, ESQUIRE
DUBUQUE ASSOCIATION OF	:	
PROFESSIONAL FIREFIGHTERS,	:	
LOCAL #353	:	

RECEIVED
2007 JUN -1 AM 9:19
PUBLIC EMPLOYMENT
RELATIONS BOARD

I FACTS

This proceeding arises pursuant to the provisions of Sections 19,21 and 22 of the Iowa Public Employment Relations Act, Chapter 20, 2007 Code of Iowa (hereinafter Act). The city of Dubuque (hereinafter City) and the Dubuque Association of Professional Firefighters, Local #353 (hereinafter Association) have been unable to agree upon the terms of their collective bargaining agreement for the 2008 fiscal year through their negotiations and mediation. On March 1, 2007 the parties submitted their disputes to Fact – Finding. On March 13, 2007 Fact Finder Ronald Hoh issued his award.

The Association accepted the Fact Finder's Recommendations on March 22, 2007. On April 3, 2007 the city provided notice of its rejection of the same. The parties selected the undersigned to arbitrate their disputes. On May 16, 2007 the arbitration was conducted at the City of Dubuque Public Library.

Representing City was Randy Peck, Personnel Director. Representing the Association was Michael Meloy, Counselor at Law. Also in attendance for the Association were Bill Laban, David Beaves, Bob Rehfeldt; and David Grass. The parties

were provided a full and complete opportunity to present evidence and argument in support of their respective positions. Upon conclusion of the evidence the record was closed and the case was deemed under submission to this arbitration.

II IMPASSE ITEMS

The parties submitted final offers as required within the appropriate time frames.

The following items and the respective positions of each party are as follows:

I. Wages and Education Pay

a) Wages Article 12

The Association

a) 3.3 % gross wage increase

The City

a) 3.0% gross wage increase

Fact Finder

a) 3.0% gross wage increase

b) Education Pay – Article 14

The Association

- a) The Association proposes to delete paragraphs 1 and 2 of Section 1 and substitute the following in lieu of:

An employee who is certified in any of the following categories shall receive payment for certification as follows:

<u>Certification Level</u>	<u>Payment Per Month</u>	<u>Payment Per Year</u>
a) EMT-B at all ranks	\$20	\$240
b) EMT-I at all ranks	\$40	\$480
c) EMT-P at all ranks	\$105	\$1260

The City

b) The City proposes to maintain current contract language which provides:

Section 1

An employee in the classification of Firefighter (appointed on or before December 31, 1996) who is certified in any of the following categories shall receive payment in accordance with the following schedule:

<u>CERTIFICATION LEVEL</u>	<u>PAYMENT</u>
EMT-B	\$20.00 per month [for up to twenty- four [24] consecutive months]
Advanced EMT-1	\$40.00 per month [for up to eighteen [18] consecutive month]
EMT-Paramedic	\$105.00 per month

In the event an employee in the classification of Firefighter (appointed on or before December 31, 1996) fails to renew a certification when due, he/she shall forfeit the additional payment until such a time as recertification is obtained. An employee in the classification of Firefighter (appointed on or before December 31, 1996) who fails to obtain certification as an Advanced EMT-1 within twenty-four [24] consecutive months following certification as an EMT-B shall receive fifteen [\$15] dollars per month provided he/she maintains an EMT-B certification. An employee in the classification of Firefighter (appointed on or before December 31, 1996) who fails to obtain certification as an EMT-Paramedic within eighteen [18] consecutive months following certification as an Advanced EMT-1 shall receive thirty [\$30] per month provided he/she maintains an Advanced EMT-1 certification.

Employees in the classification of firefighter who are appointed on or after January 1, 1997, shall receive payment in the amount of \$105 per month for EMT-Paramedic certification.

Payments for emergency Medical Training certification shall not be cumulative and shall not be included in the regular [straight time or base] rate of pay or in the calculation of premium payments or fringe benefits. Payment for Emergency Medical Training certifications shall commence at the beginning of the first pay period following receipt of the state of certification card.

An employee in the classification of Fire Equipment Operator, Fire Lieutenant or Fire Captain who is certified as an EMT-Paramedic shall receive payment in the amount of thirty [\$30] per month. In the event an employee in the classification of Fire Equipment Operator, Fire Lieutenant or Fire Captain fails to renew the certification when it is due, he/she shall forfeit the additional payment until such time as recertification is obtained.

In the event the City discontinues the ambulance service, the terms of this Section shall become null and void on the date ambulance service is discontinued.

Section 2

Effective July 1, 2000, employees who possess an Associates Degree in Fire Science from an accredited college or university shall receive payment in the amount of \$105 per month. In order to verify eligibility for this payment, employees must provide a certified transcript from the college or university that awarded the Fire Science degree

Fact Finder

b) The Fact Finder recommended the following:

Delete paragraphs 1 and 2 of Section 1 and substitute the following in lieu of:

An employee who is certified in any of the following categories shall receive payment for certification as follows:

<u>Certification Level</u>	<u>Payment Per Month</u>	<u>Payment Per Year</u>
a) EMT-B at all ranks except Medical Officer	20	240
b) EMT-I at all ranks except Medical Officer	40	480
c) EMT-P at all ranks except Medical Officer	105	1260

II INSURANCE ARTICLE 18

a) The Association

The Association proposes to add the following sentence to Article 18 Section 1 of the Contract. "In no event shall an employee pay more than \$125 per month for Family Health Insurance; \$100 per month for Single plus 1 coverage or \$50 per month for single coverage".

a) The City

The city proposes no change to Current Contract.

a) Fact Finder

The Fact Finder's recommendation was that a new second sentence should be added to Section 1 amending it to add "In no event shall an employee pay more than \$125 per month for Family Health Insurance Coverage, \$100 per month for Single plus 1 Coverage or \$50 per month for single coverage.

III LAW

Iowa Code Section 20.22 (9) provides: The panel of arbitrators shall consider, in addition to any other relevant factors, the following factors:

- a. Past collective bargaining contracts between the parties including the bargaining that led to such contracts.
- b. Comparison of wages, hours and conditions of employment of the involved public employees with those of other public employees doing

comparable work, giving consideration to the factors peculiar to the area and the classifications involved.

- c. The interests and welfare of the public, the ability of the public employer to finance economic adjustments and the effect of such adjustments on the normal standard of services.
- d. The power of the public employer to levy taxes and appropriate funds for the conduct of its operations.

It is mandated that all issues set for the above are reviewed in light of the foregoing factors. Iowa State Education Association v. Public Employment Relations Board.

The weight to be given to each of these factors is placed in the discretion of the arbitrator. Moravia Community School District v. Moravia Education Association.

IV FINDINGS OF FACT

A) Background

The City, located along the Mississippi River in far eastern Iowa on the junction of the Illinois and Wisconsin border, is Iowa's sixth largest, with a population at the last census of 57,546 persons. The Association represents approximately eighty-one employees of the City's Fire Department (hereinafter Department), in the classifications and numbers within classification of firefighters (24), fire equipment operators (24), medical officers (12), lieutenants (14) and captains (7).

The parties are currently operating under and governed by a one year collective bargaining agreement (hereinafter contract), which is set to expire by its terms on June

30, 2007. The areas in dispute in this proceeding appear in the contract articles regarding Wages (Article 12), Education Pay (Article 14) and Group Insurance (Article 18)

The City also has formal bargaining relationships with its non-supervisory police officers represented by the Dubuque Police Officers Association, a largely white collar non-supervisory unit represented by the Operating Engineers, a non-supervisory largely blue collar unit represented by the Teamsters, and a non-supervisory transit unit represented by the Amalgamated Transit Union.

B) Ability To Pay

The City stipulated at the outset of the proceedings that it was not claiming an inability to pay contention in this proceeding. The City concurred that it had the economic resources to fund any of the proposals as set forth in Article II, Impasse Items.

C) Comparability Group

The parties agreed at the hearing that for purposes of external comparability under Section 22 (9) (b) of the Act, the proper group for comparison purposes consisted of fire department wages and benefits for the seven largest cities in Iowa, including Dubuque.

Those cities and their populations are set forth below:

<u>City</u>	<u>Population</u>
Des Moines	193,187
Cedar Rapids	108,751
Davenport	95,333
Sioux City	80,505
Waterloo	66,467
Dubuque	57,546
Council Bluffs	54,315

D) Other Factors

Association asserts that the Consumer Price Index which is set forth in their exhibit #40 supports their petition for increased wages. The City asserts that its offer is consistent with the Fiscal year 2008 compensation package offered to all City employees. Also, its proposal will maintain the historical wage relationship of providing identical maximum wage rates for the positions of Firefighter and Patrol Officer.

IV Discussion

At the outset, although the parties agree on the comparability group, they disagree as to the weight the undersigned should give the same. The City asserted that its settlements with the other City employees units unionized and otherwise should if not be controlling provide the undersigned with a more reasonable approach to the items at impasse.

The Association denies that settlements with other units of employees unionized and otherwise are comparable. The association asserts that these "internal comparables" are an oxymoron because Chapter 20.22 Subsection 9(b) provides "other public employees doing comparable work" prohibits their consideration.

Fact Finder Hoh found that internal comparability was of little persuasive value in the proceeding because it is not an expressed statutory criterion for recommendations or awards made by fact finders and interest arbitrations and is applicable at best as an otherwise non-delineated "other relevant factor" criterion. Fact Finder Hoh did provide weight to the same under a bargaining history criterion.

The undersigned concurs with Fact Finders Hoh's classification of the City's assertions in this stead.

Wage and Education item contains two issues under the statutory scope of bargaining subject area of wages: base wages and education pay. The current contract in the area of wages provides in Article 12 as follows:

The following salary schedules shall represent the regular [straight time or base] rate of pay for positions covered by this agreement:

Position Classification	Salary Grade	Step A	Step B	Step C	Step D	Step E	Step F
Bi-Weekly Rates-Effective 07/01/2006 through 6/30/2007							
Firefighter	F-01			\$1,525.44	\$1,652.00	\$1,695.68	\$1,794.40
Fire Equipment Operator	F-02			\$1,752.80	\$1,797.60	\$1,843.52	\$1,890.56
Ambulance Medical Officer	F-03			\$1,850.24	\$1,895.04	\$1,940.96	\$1,988.00
Fire Lieutenant	F-04			\$1,850.24	\$1,895.04	\$1,940.96	\$1,988.00
Fire Captain	F-05				\$1,992.48	\$2,038.40	\$2,085.44

The Association Asserts that fiscal year 2008 Firefighters Comparison Group Salary Settlements support their offer of 3.3%. Exhibit #15 revealed as follows:

Community	% Increase
Cedar Rapids	3.5
Council Bluffs	4.0
Davenport	4.0
Des Moines	3.25
Sioux City	4.25
Waterloo	3.5
Average	3.75%
Median	3.75%
High	4.25%
Low	3.50%

In reviewing the salary comparables the average starting salary for firefighters; Fire Equipment Officer, and Medical Officer are all above average. Starting salaries for Lieutenant and Captain are below average. The top salary for all positions are all below average.

The City counters these contentions by arguing that Dubuque has the most liberal step advancement.

Employees at the lowest step of the wage matrix move one step on the wages schedule six months after placement at the step if evaluated performance is satisfactory, and then move one step every twelve months thereafter if performance is satisfactory, until reaching the top wage step after two and one-half years. Currently, only thirteen of the Department's bargaining unit employees- twelve firefighters and one lieutenant- are not at the top step of their respective job classifications. Also longevity rate is included as part of the compensation salary for some of the comparable units. The longevity pay is not included in base pay of Dubuque wages. Also, that Dubuque's longevity pay is amongst the highest in its comparability group. Employees of this unit also receive compensation on a yearly basis for completing their A.A. degree.

That by comparison, historically the wage increases have exceeded the CPI. That because of these favorable benefits an extremely low rate of employee turnover has taken place with this unit. That the average employee length of service is thirteen (13) years.

That salary based not only on wages but all the benefits makes the City's offer of 3% more than reasonable.

Lastly, the City asserts that by deviating more than 3%; would create a disparity between the historic comparability between Patrol Officer and Firefighter. The City asserts that all city contracts between 2000 and 2005 were voluntarily resolved and maintained said parity. Historically arbitrations in the past have refused to upset this parity.

The fact finder found that the City's offer of 3% was the most reasonable in light of several reasons. First, because of the most liberal longevity schedule. Second, the shortest amount of time it took to reach the maximum salary level. Also the promotional opportunities are some of the greatest amongst it's comparables. Lastly, the 3% would maintain the parity between the Firefighter Rank and Patrol Officer.

In reference to the second issue of compensation; EMT Certification Pay the Association points to its comparability groups to reveal that Dubuque's certification pay is significantly below that of it's counterparts in the amount of compensation and which ranks receive said pay.

The Association has documented that 70% of its calls require medical or EMT services. That based on this demand, that all members of it's unit should strive for the most advanced EMT certification. That this will insure the citizens of Dubuque the

highest quality of services. The association believes that it's proposal will cost the city an additional .9%

That under the current contract language, only the firefighter rank is compensated for all three levels of EMT Certification. The matrix reflecting these compensations is:

	EMT-B		EMT-1		EMT-P	
	Start	Top	Start	Top	Start	Base
FF	240	180	480	360	1260	1260
FEO					360	360
MO						
LT					360	360
CAPT					360	360

The other oddity of this matrix is that other than Firefighter, the other ranks receive additional compensation only at the EMT-P level. This additional compensation is at \$360 level as opposed to the \$1260 that the firefighters receive. The contract treats three of the five ranks differently as to when if even they can receive compensation and the amount thereof. The association asserts that with it's proposal of a 3.3 wage increase and a .9% cost for EMT certification its total package is only 4.2%. That this is less than half a percent from the average increase in salaries.

The City contends that no change is warranted in the area of EMT compensations. The City asserts that the reason the MO does not participate in this benefit is because in

1993, this rank's salary was set at the lieutenants classification. That therefore the MO is already been compensated for their EMT-P certification.

The fact finder found that these disparities were unreasonable with the exemption of the MO rank. The fact finder adopted the Associations proposal excepting out the MO. By exempting out the MO classification from this benefit he calculated the cost to be .51%. He concluded that coupling this expense with his 3.0 award for wages brings the total package increase to 3.51%.

Impasse Item II relates to health insurance. The history of this benefit not only in Dubuque but over the entirety of the State has clearly been one of the most disputed topics in labor management negotiations in the last five years. Prior to the 2005 Contract, the City bore 100% of the expense for employee health insurance. Commencing July 1, 2005, the association's members have bore 10% of this cost. A series of arbitration awards have continued this practice unfettered up to these negotiations.

Specifically, Arbitrator Lisa SalRavity Kohn in August, 2005 refused to adopt the Associations position of a dollar cap on employee participation of health insurance costs. In May of 2006, Arbitrator Michael L. Thompson once again addressed this item before him and he concluded that "even though there is some evidence of a disparity with the external comparability groups, there is not sufficient reason to alter the award from the last year". The significance of this issue goes beyond this years contract negotiations.

Historically, several types of contract language has been used to delineate the financial responsibilities of the parties for health insurance expenses.

One model has been provided a set dollar amount that the employee would be responsible depending on the type of coverage. Conversely some employers have created

a set dollar amount they will pay towards the employees health insurance. Another model established a ratio of percentage as to allocating this expense.

With this arbitration, a 10% percent allocation has been created without any caps. The impact of this is the only variable in determining what the employee will pay is the annual cost of the insurance product. The additional cap would unlike a percentage require the parties to negotiate this cap yearly. The Association argued persuasively at fact finding and arbitration that all of its comparability group save for Council Bluffs has a cap. All of the members of this group also have a percentage allocation as well. Unlike Dubuque, these caps range from 2% to 5%. Of the comparables that have a cap, the set dollar amount is significantly less than what the Association is proposing. The Association also reveals that its members pay the highest amount when compared to their counterparts for this benefit. The City argues that a cap is in fact in place- it's the 10% contribution. That to add a dollar cap on top of the percentage cap would do nothing than to destroy the percentage allocation. In 2005, the City compensated the members of this unit an additional 2.4% in wages to compensate the employees for this concession. That to restrict it now with a dollar number would be unfair to them. That Arbitration awards the past two (2) contracts have cemented this position.

The City also asserted that by awarding a cap, disparity would exist between this unit and the other City's union and nonunion groups contracts. Last but not least, by requiring the units members to pay 10% of the cost resulted in a number of the same that were being covered by a spouse's plan to drop the coverage. A cap would reverse this process.

Fact finder Hoh concluded that the Associations proposal for a fixed dollar cap as proposed was the most reasonable. He premised this on the majority of the comparable communities which provide this fixed dollar cap. Also, that the 2.4% wage increase failed to compensate the additional expense this units' employees incurred. That the cap would have no financial impact upon the City for fiscal year 2008. Fact finder Hoh concluded that it was unlikely that the caps would "result in a wholesale remigration of employees or spouses to the City's insurance plan".

Award

The undersigned arbitrator is required to give deference to the fact finders award in this matter.

The fact finder determined that a 3% wage increase coupled with EMI compensation for all but medical officers of .51 provided the most reasonable compensation package. The total package would result in a 3.51% increase to wages. The average increase according to Association Exhibit 15 reveals a 3.75 average and median increase for members of its comparability group. The fact finders award is less than a quarter of a percent from these averages.

The City's proposal of an across the board increase of 3% is approximately three quarters of a percent below the average of comparables for salary settlements. The Association's proposal of 3.3% on wages and .9% on EMI Compensation would amount to a 4.2 increase. This would be a .45% above the average increase in comparable salary settlements.

Also, this award would create parity amongst all of this units membership insofar as EMT pay is concerned save for Medical Officer.

It is therefore the undersigned's opinion that Article 12 should be amended so as to provide a 3.0% gross wage increase for all ranks at all steps effective July 1, 2007.

Furthermore, Article 14 should be amended to delete paragraphs 1 and 2 of Section 1 and substitute the following in lieu thereof:

An employee who is certified in any of the following categories shall receive payment for certification as follows:

Level	Per Mo.	Per Year
EMT-B at all ranks except M.O.	20	240
EMT- 1 at all ranks except M.O.	40	480
EMT-P at all ranks except M. O.	105	1260

The second impasse item, Insurance, involves whether to amend Article 18, Section 1 of the contract to include language which would cap the employees total financial exposure.

Again giving due difference to the fact finders award it is abundantly clear that utilizing the parties external comparables this bargaining unit is clearly in the minority in having no cap.

Whether there is a cost to the City for this amendment in Fiscal year 2008 is a red herring. This amendment would effectively place health insurance financial participation back on the table every year. Health insurance increases have inflated far faster than the CPI. The 2.4% increase to wages in 2005 is more than offset with the caps as the Association proposes.

It is therefore the undersigned's opinion that the Fact Finders award which parallels that of the Association is the most reasonable.

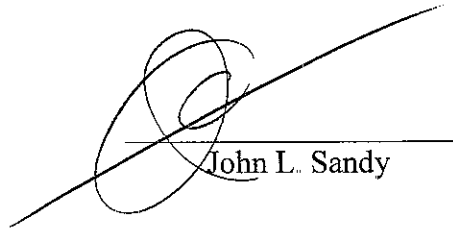
The undersigned recognizes the impact this award will have on future negotiations in this area. I am unable to find that the Fact Finders determination in this area should be reversed. When an arbitrator is required to review the external comparables it is abundantly clear that caps are woven into the fabric of insurance articles. It is therefore Decreed that the most reasonable award in this matter would be to amend Article 18, Section 1 to include the following language. "In no event shall an employee pay more than \$125 per month for Family Health Insurance, \$100 per month for Single plus 1 coverage, or \$50 per month for single coverage.

VI Conclusion

I hereby award the fact finders recommendation for a 3.0% gross wage increase for all ranks at all steps effective July 1, 2007. Further that all ranks except Medical Officers shall receive \$20 per MO up to \$240 per year for EMI-B Certification, \$40 per MO up to \$480 for EMI-1 Certification and \$105 per month up to \$1260 per year for EMI-P Certification.

I hereby award the fact finders recommendation as to insurance which requires amending Article 18 Section 1 to read "In no event shall an employee pay more than \$125 per month for Family Health Insurance, \$100 per month for Single plus 1 coverage or \$50 per month for Single Coverage"

Respectfully Submitted,



John L. Sandy

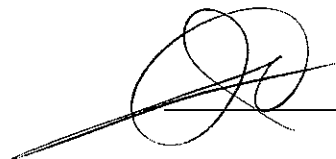
CERTIFICATION OF SERVICE

I certify that on the 29th day of May, 2007, I served the foregoing Award of Arbitrator upon each of the parties in this matter by mailing a copy to them at their respective addresses as shown below:

Randy Peck
50 W. 13th St.
Dubuque, IA 52001

Michael Meloy
2828 18th St.
Bettendorf, IA 52722

I further certify that on the 29th day of May, 2007, I will submit this Award for filing by mailing it to the Iowa Public Employment Relations Board, 510 East 12th St. Suite 1B, Des Moines, IA 50319.



_____, Arbitrator